FBIS DAILY REPORT

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LAMI DOZO STEPS DOWN AS AIR FORCE COMMANDER

PY052326 Buenos Aires DYN in Spanish 2319 GMT 5 Aug 82

[Text] Buenos Aires, 5 Aug (DYN) -- The meeting of air force brigadier generals, which had been called by Air Force Commander in Chief Basilio Lami Dozo, lasted 20 minutes. During the course of the meeting the air force commander in chief informed his subordinates that he had decided to name the current commander of training operations, Sigfrido Plessl, as his successor, according to responsible spokesmen.

The meeting, which was held in the Condor Building, started at 1915 [2215 GMT] and concluded 20 minutes later.

Plessl Refuses Appointment

PY060057 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0030 GMT 6 Aug 82

[Text] Buenos Aires, 5 Aug (NA) -- Air Force sources indicated tonight that Air Force Maj Gen Augusto Hughes was named as chief of the air force because Maj Gen Sigfrido Plessl had immediately refused the offer that had been made to him.

The sources indicated that Plessl had requested 24 hours in which to make a decision regarding the offer.

This caused the Council of Brigadiers to name Hughes as the new commander, the sources added.

Jorge Hughes Designated

PY060015 Buenos Aires DYN in Spanish 0007 GMT 6 Aug 82

[Text] Buenos Aires, 5 Aug (DYN) -- It has been officially announced tonight that Maj Gen Augusto Jorge Hughes, current commander of air defense, was designated new commander in chief of the air force, to replace Lt Gen Basilio Lami Dozo.

Lami Dozo and six other major generals, including current Planning Secretary Jose Miret, will go into retirement because they have more seniority than the new commander.

Communique on Hughes

PY060022 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0014 GMT 6 Aug 82

[Text] Buenos Aires, 5 Aug (NA) -- The air force has released the following communique:

"The commanding chief of the air force reports that today, the commander in chief of the air force, Lt Gen Basilio Lami Dozo, told the superior commanders of the institution that he had decided to designate Maj Gen Augusto Jorge Hughes to replace him in his post. Hughes will assume his post on 17 August 1982."

Major Generals To Retire

PY060105 Buenos Aires TELAM in Spanish 0017 GMT 6 Aug 82

[Text] Buenos Aires, 5 Aug (TELAM) -- With the naming of Air Force Maj Gen Augusto Jorge Hughes as the commander in chief of the air force, the following major generals will have to retire in accordance with the institution's regulations:

Ubaldo Alfonso Diaz, commander of the materiels department.

Juan Garcia, the force's chief of staff.

Jose Miret, planning secretary of the presidency.

Hellmuth Conrado Weber, commander of air operations.

Alberto Banos, commander of air regions.

Sigfrido Martin Plessl, commander of the training sector.

ARMY SPOKESMAN ON RECOMPOSITION OF JUNTA

PY051508 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1142 GMT 5 Aug 82

[Excerpt] Buenos Aires, 5 Aug (NA) -- An army spokesman assured that there is "complete willingness" on the part of the commanders of the armed forces to recompose the military junta as the highest government body. At the same time he clearly stated that the designation of a civilian vice president "is no longer a condition" for recomposing the junta.

The source stated that "the studies for recomposing the junta have progressed" and that aside from the option of naming a vice president there are other ways of achieving that goal."

The source said that "studies continue" for the recomposition of the junta and made it clear that there is no set date for a meeting of the three armed forces commanders in chief.

IMF REPORTS ON DEBT STATUS, ECONOMIC SITUATION

PY060226 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1045 GMT 5 Aug 82

[Text] Buenos Aires, 5 Aug (NA) -- Argentina's foreign debt now amounts to $39.139 million, according to the IMF, which recently visited the country.

Argentine foreign commitments (public and private) abroad rose 9.6 percent over the first 7 months of this year compared with the same period last year, according to a communique issued by the Central Bank of the Argentine Republic [BCRA].

According to a source consulted by NOTICIAS ARGENTINAS, payments totaling $2.5 billion are now overdue.

These overdue payments incur interest penalty charges and they became overdue during the administration of former Economy Minister Roberto Alemann.

In the meantime, a BCRA delegation headed by bank director Santiago Giloteaux is in the United States to negotiate a rescheduling of the debt.

In view of this situation, it is likely that Minister Dagnino Pastore will go to the United States or that a member of the IMF will again visit this country.

The possibility that the debt may be renegotiated "in the open," as Poland did, would necessitate the agreements to be endorsed by the political forces.

To that effect, BCRA officials may have sounded out some politicians.

Regarding the IMF delegates who prepared the report on the Argentine economic situation, it was learned that they had accepted the accounts presented by Minister Pastore, but expressed doubts as to the possibility of maintaining the economic plan without causing very serious social consequences.

CUBA'S HART NOTES PERIL OF NUCLEAR WAR

FL050200 Havana Domestic Service in Spanish 2300 GMT 4 Aug 82

[Text] Cuban Culture Minister Armando Hart today urged the delegations attending the UNESCO conference on cultural policies to adopt a strong positiom regarding the threat of nuclear war. The Politburo member and chief of the Cuban delegation, who is attending the UNESCO conference being held in Mexico City, delivered a speech during the debate on international cooperation on cultural and peace issues.

Opening his speech with a quote from Marti that to witness a crime and do nothing about it is the same as committing it, Hart noted that man is committimg the most horrible crime that can be imagined: his own extinction.

Moreover, Armando Hart noted: If anyone survives the disaster, he will envy the dead; but if by any chance the survivor is among one of those attending this meeting he will be unable to remember this conference.

During his speech, which was warmly applauded, the Cuban minister noted that because nations refuse to accept the fact of an economic crisis, when the situation deteriorates, they resort to revolutionary or social change.

Armando Hart said that the revolutionaries are not afraid and that they are willing to answer aggression with all their might. But, he said, revolutionaires are also aware of the threat of a world war and therefore are willing to discuss solutions on just and reasonable bases.

He added that one of the solutions to the nuclear threat can be found in the speech delivered at the United Nations by Cuba's President of the Council of State Fidel Castro in which he reported on the conclusions of the sixth summit meeting of the Nonaligned Movement. Hart said that in his speech Fidel not only noted the interests of the exploited members of the Third World, but also suggested proposals that could be understood by those who own the world's wealth if they possessed the necessary wisdom.

Minister Hart wondered whether the leaders of the capitalist economies are endowed with this wisdom and with the education necessary to understand the suggestions proposed by Fidel Castro. Moreover, he noted that this time they will not have to suffer the consequences of the guillotine but of nuclear war since there are nations that will not let themselves be exterminated without exterminating their aggressors.

Hart concluded his speech amidst warm applause by noting: The path chosen by the present U.S. administration is leading to the extermination of kings and peoples.

BRIEFS

INCREASE IN SUGAR HARVEST -- Mexico City, 2 Aug (NOTIMEX) -- The National Sugar Industry Commission (Comision Nacional de la Industria Azucarera] has reported that the present sugar harvest production totals 2.68 million tons. This means that in comparison to last year's harvest, which totaled 2,371,000 tons, this year's sugar harvest has increased by 309,000 tons. As a result of this increase in production, sugar imports -- which are mainly from Cuba, Nicaragua and the Dominican Republic -- have decreased from 600,000 tons to figures ranging between 300,000 to 400,000 tons. Moreover, the commission reported that the estimated sugar production could not be achieved since 70,000 tons of sugar were lost as a result of the hurricane and floods of the Papaloapan River that affected the sugar producing region. [Mexico City NOTIMEX in Spanish 1840 GMT 2 Aug 82 FL]

GENERAL PAREDES ADDRESSES PRESIDENT, OFFICIALS

PA052136 Panama City Televisora Nacional in Spanish 1715 GMT 5 Aug 82

[Speech by Gen Ruben Dario Paredes, National Guard Commander, at ceremony presenting Panama's new cabinet at the presidential palace in Panama City 5 August -- recorded]

[Text] Distinguished Ministers; Directors of autonomous institutions; Special Guests; Representatives of the Panamanian people; Members of our community:

There are certainly many people who deserve to be here with us today, but the representatives here, the ladies and gentlemen who are here, do honor to the Panamanian people. Basically, I wish to address Panamanian President Ricardo de la Espriella, Vice President Jorge Illueca, the president of the Court and the president of the Assembly of Representatives.

On behalf of the National Guard, which is composed of 10,000 Panamanians in uniform, we are here today to express our respect, our subordination and our desire that the administration conducted by President de la Espriella and his entire team will be guided by the lord, our God, so that, acting together, we can move the fatherland that belongs to all of us, the Republic of Panama, forward.

As of today, the National Guard, as you will see, will separate itself as much as possible from the political tasks and life of this country. However, it will not stop its support of you, so that your work can be more efficient when desired or necessary. We will, of course, take a more obvious part in the national scene if we ever observe -- and I hope that such a repetition will not occur -- that the family, the brothers, our children, our mothers and our wives are threatened by the danger of violence among us, which could end in bloodshed and in Dantean scenes of bodies in the streets, as happens very near Panama in fact, so near that if we could breathe a little more deeply we could notice the smell of blood and gunpowder affecting other peoples who did not act in time to maintain peace.

I would like to express some thoughts that I once had when I too was a minister. I told myself that on the streets, in the countryside, in any of our country's towns, there were men and women with much more right than I had to be standing in this sacred place, here where many of this fatherland's truths have been discussed. Therefore, I want to you to remember that thought with respect. All of the new officials and the officials who continue to accompany President de la Espriella should remember that there are many men and women in the streets who have perhaps the same or even better qualifications for being here at this moment, when the fatherland calls upon you to help govern the country.

Thinking about this, I asked myself: What is the necessary commitment of a citizen placed here by the greatness of the fatherland? The citizen's obligation is to respond to the fatherland not with half measures, but with great tenacity, courage and, in truth, with great bravery; he must work, exert effort so that his work will reach the people and the most needy sectors; he must see that his efforts are felt in the dynamics of the republic's life. Afterward, when one is finished and looks back -- for one's passage through the palace is not permanent -- then he can say: I did my duty to our fatherland, I fulfilled the honor that the fatherland gave me. Even though they will hear insincere praise, there will be some who will hear their own consciences tell them that they could have done better work, that they could have made a greater effort. However, at that moment, at the end, it will be too late. I have thought about this on several occasions and now that there is a new government team, with a great national image and a great desire to work, I hope that when each of you is finished and looks back you will feel proud of what you have done for Panama and its people.

Here in this historic room, where we have had great and good men as presidents and heads of government, like Omar Torrijos; presidents like our friend, Demetrio Lakas; here, you must speak the truth, the truth that comes from your soul, the truth that will help the executive, the president and vice president, to make the best decisions for the good of the entire community, the good of all 2 million Panamanian people. However, if any of you here reach the moment when you begin to say what you think the president wants to hear, even though in your conscience you know that he is honestly wrong, and you do not speak the truth instead, you are not fulfilling your patriotic duty. The president and all of the ministers must speak to each other with respect, but they must also speak the truth. The average, the consensus of truth derives from this. The president will collect that consensus and he will know what to do with it.

I would like to take advantage of this occasion to tell all presidents and leaders of political parties, both pro-government and opposition parties, political parties like the People's Party, which also comprise Panamanians, that the remarks I made at the press conference on Friday and the commitments undertaken there are being fulfilled and that those that have yet to be fulfilled will be. However, the political parties must also do their part. We have given them the opportunity to choose a magistrate for the electoral tribunal, but they have not replied.

It is said that the two magistrates designated by the executive, Mrs (Yolanda Pugliese de Rodriguez), who is present here, and Juan Jose Amado are very closely linked to this government and to myself. I am speaking very sincerely. This is one more gesture of good faith and good will. Mrs (Pugliese de Rodriguez) is someone I know, but I have spoken with her very few times. I spoke with her this morning and I think this was only the third time in my life that we talked together. I know that she is a great lady, respectful, a good wife and mother and an efficient professional. I can see that in her, even at a distance. As for Amado, who is my friend and neighbor, the opposition is correct. I spoke with Amado last night and asked him to decline the appointment. Therefore, the president is free to find another citizen to fill that post. As a result, the opposition should not claim that they are not presenting their list of candidates because the government has too much of an advantage.

I wish also to refer to a fact that some have wanted to disregard and that has perhaps caused confusion and uneasiness at some point. I am referring to the reality that administrative power lines with the presidency and that the real power, in fact, still rests with the National Guard. This is true. We are not going to speak falsehoods. We are not going to tell lies. However, more important than the issue of where the power is located is that of where that real power is going. Gradually, and at a point in time that is increasingly nearer, it will be returned to the Palace of Herons. If someone asks how the real power will return to the Palace of Herons and why it won't stay over there, on A Avenue, in the garrisons, I have thought about this many times as well and the reply, my reply, which is not the only one, is this: In the next elections, the real power will return to the Palace of Herons, where it should be, as a result of the magic power of votes. The people's vote will once again put the man here who should be here, as a result of the power of the votes of all Panamanians.

If we accept the current reality, it is that we will continue to walk in peace toward 1984 and that the power of the people's votes will place the president, with all powers, here where you, the Panamanian people, want him.

We will also implement the announced amendments in the National Constitution, the codes and the laws. These amendments and revisions will not seek to crush the advancements made in the last 14 years, for we think that there have been great achievements. We seek to adjust them so that they will become increasingly effective and less susceptible to a division of the Panamanian family. They should make each Panamanian put his heart into the nation's developments and put his capital to work, so that workers can work, yield more and be more effective. Everyone should carry out his own task. That is what we mean when we talk of adjusting the laws, the codes and the Constitution itself.

Much has been said about General Paredes' candidacy, but these things, all of these measures, require that our position serve in a permanent and respectful custodianship. We can say right now that we are not interested in any presidential candidacy as long as everyone gets along well. Only the power of God and the people could change this position.

Indeed, these two things would have to coincide to move me from this position. If this contributes to the general peace, I too will give my share. The others, however, must help to preserve the peace.

This morning we learned that at the newspaper LA PRENSA, which was under our custody for reasons that we are all familiar with -- due to measures that, although painful, had to be adopted for the good of the entire family, of the entire community... [does not complete sentence] I am sure that everyone present here, and those watching us on television or listening to us on the radio, feel that today's Panama is different from that of 7 days ago. Today Panama is peaceful, 7 days later, or 6 days later. Panama sees the brother and the neighbor as friends, in good faith.

On our way here on the bus, Fermin Chan was telling me that there is a good climate for investment. The interest rate, the cost of money, is going down and this is favorable to investment. Mr Chan was telling me that there is peace. I too breathe this peace; I can breathe it. A week ago I breathed only confusion. I talked to Fernando Cardoze; we ran into each other one day and I told him of my concerns. Some of these concerns he shared, others he didn't.

Monsignor McGrath told me this morning that violence was done to the newspaper LA PRENSA'S machinery. As soon as we leave here we will appoint a commission to investigate this. If we are responsible, we will accept responsibility. As honorable and peace-loving men we do not believe in such procedures. We will punish those who are responsible and will make the necessary payments to repair all of the machinery that was damaged, as I have been told. That investigative commission will also wish to insure that this was not a case of self-sabotage. That possibility has not been rejected. It may be an effort to discredit the armed forces. Whatever the final result we will accept our responsibilities. I am talking about the 10,000 men whom I direct and command.

We apologize for, but do not regret, having recommended that the president temporarily close those newspapers at which there was a culture permitting the growth of germs that would lead to a division of the family, alienation and hatred. This atmosphere was not suitable to peaceful living. However, we know that we affected the newspaper vendors with this recommendation and the adoption of this measure. Yesterday we received them at the National Guard in an effort to compensate them for the days on which they earned nothing for their humble families. There were 500 young newspaper vendors. We also apologize to those newsmen who have had to remain silent these last few days and who have been unable to express their thoughts and ideas. Understand, however, that this was a necessary measure. The result is here, the result can be seen on the streets and it will continue to be seen in coming months.

Within the framework of our subordination and our great desire to accompany you in your difficult task, I am sure, Mr President, that you will do a wonderful job. I am sure that you will be one of those who, on looking back, will leave this place proudly. We wish you great intelligence, sagacity, skill and patience. Listen to the truths voiced by your men and find the average truth -- that which we in the National Guard call the consensus.

To all of those who accompany us today -- nurses, teachers, businessmen, friends, university professors, the president of the People's Party, who is here with Fernando Eleta beside him [words indistinct] [laughter] we thank you all very much. To Dr Arnulfo Arias, we send our wish for a prompt recovery and, most important, our acknowledgement of his contribution to the preservation of peace in Panama. His message to President de la Espriella says just that. Unfortunately, he is now of advanced age, but he too is joining in the effort to achieve the peace that both these people and this country deserve. Thank you very much. [applause]

De la Espriella Speaks

PA052311 Panama City Circuito RPC Television in Spanish 1715 GMT 5 Aug 82

[Statement by President Ricardo de la Espriella to cabinet members and military authorities at the presidential palace in Panama City 5 August -- recorded]

[Text] Acting Vice President Dr Jorge Illueca; Dr Gonzalo Marquez, president of the Supreme Court of Justice; Dr Luis de Leon Arias, president of the National Legislative Assembly; Brig Gen Ruben Dario Paredes, commander of the National Guard; former President Demetrio Basilio Lakas; Messrs Ministers; Directors of autonomous entities; Members of the staff; Distinguished guests:

I know Ruben Dario Paredes as an honorable, honest and correct military man, but especially as a man who keeps his word. What he has told you and the country today is, in my opinion, of great importance, of the greatest political importance at this moment in the nation.

You can be sure that we have formed the government team with honorable and honest men of this country who have been called by the fatherland and have been willing to put aside personal and economic interests to serve the country.

With the participation of all Panamanians, and the support you have offered, we will work for the well-being, progress and political health of this country.

The leaders of the political parties that support the government and those who oppose it can be sure that in the next few days, as soon as we solve some administrative problems that logically exist at this moment, we will hold talks with them so that they can state their ideas and help find the solutions that all Panamanians want so that we may all always live in peace in this country.

The safeguarding of peace is not the task of a government; it is the task of all the people.

Companions in the government team; we have the obligation to work face-to-face with the people and seek the solutions the people need. As we find solutions and solve problems the people will come to us for solutions and will avoid going to the barracks for the solutions.

General Paredes has said here that the National Guard will gradually be returning to the barracks, and we in the government must help them to make this a reality.

COMMISSION APPOINTED TO ADVISE ON MEDIA

PA050426 Panama City Televisora Nacional in Spanish 2258 GMT 4 Aug 82

[Excerpts] The Government and Justice Ministry's advisory commission for news media affairs was installed this afternoon by Minister Justo Fidel Palacios. It is comprised of the following persons: Dr Heszel Klepfisz; Rev Fernando Guardia; Jorge Fabrega; (Aurelio Ali Bonilla); (Eduardo Chandeck); Norma Nunez Montoto, representing the Journalists Union of Panama; Clara Ninia de del Vasto; Dr (Carlos Rangel); Hipolito Donoso, representing the University of Panama's department of social communication sciences; and Itzel de Cortez.

Addressing the audience Minister Palacios said that the purpose of this commission is to enforce rules regarding freedom of expression and prevent insults from appearing in the news media.

[Begin Palacios recording] We thank these distinguished personalities for accepting our invitation to lend their abilities and offer wise and timely counsel at the necessary moments. We insist that the social communications media have a role to play in this country. This government is interested in continuing the democratization process that will end with honest, clean elections in 1984. [end recording]

Regarding the duties of the ministry's advisory commission, Minister Palacios said the following to Televisora Nacional:

[Begin recording] [Question] Mr Minister, what criteria did you use in selecting the members of the advisory commission?

[Answer] Marijulia [Pujol], they are professionals from different fields who are of well-known probity and, I would add, of a high moral standing. They have been selected primarily on the basis of these criteria, and I believe they will be of great assistance to the government and Justice Ministry, which is interested in contributing to the improvement of the country's social communications media. We used moral criteria and also considered the fact that they represent different sectors. Other citizens could have been selected, but they were chosen from among Panamanian citizens who enjoy great moral standing to contribute at this time to the goals we have outlined.

[Question] What mechanisms will be available to them in advising the Ministry of Government and Justice?

[Answer] They will be a permanent organ for consultation and advice to the minister of government and justice in whatever circumstances require it with respect to the development of the social communications media.

[Question] What will the function of this commission be, aside from that of advising? Will it be a censorship commission?

[Answer] This is a good question, since I wish to insist and reiterate that the national government intends to fully respect the principle of freedom of expression contained in Article 36 of the National Constitution. There is no censorship commission. There are no censors at the newspapers, nor do we intend to set up censorship committees or put censors at the newspapers. This is an advisory committee, to be in continual communication with the minister of government and justice and with the social communications media authorities.

I wish to emphasize the responsibility of the journalists and the social communications media. We can make good use of the rights granted by the National Constitution but we must not lose sight of the fact that the exercise of these rights cannot constitute abuses, and that such rights are subject to limitations and liabilities under the same National Constitution that grants them. We must preserve peace and tranquillity in the country. We must contribute to the country's development. The media and journalism professionals are called on to assume a major role in the attaining these goals. The national government is also intent on continuing the democratization process in the country so that it will end in clean and honest elections in 1984. In this sense, the social communications media also have a role to play, and they can help achieve these objectives. [end recording]

COSTA RICA

JOINT COUNTERTERROR ACTION WITH HONDURAS PLANNED

PA050312 San Jose Radio Reloj in Spanish 1200 GMT 4 Aug 82

[Text] Costa Rican Foreign Minsiter Fernando Volio Jimenez has announced that Honduran and Costa Rican authorities will implement joint action against terrorism. He said that during his recent visit to Tegucigalpa he discussed the matter with Honduran authorities, and they agreed that joint action would be carried out to try to stop the problem of terrorism. Vilio Jimenez did not say what actions were going to be taken, but he did say that something had to be done immediately against terrorism, which he considered was the world's most serious threat.

Costa Rica and Honduras agreed to increase their efforts for detente in Central America. They both agreed on implementing a Costa Rican proposal that had been discussed on 8 May in San Jose by Honduran and Costa Rican authorities, Volio Jimenez said.

RURAL GUARD SEEN DEFENSELESS AGAINST NICARAGUA

PA060136 San Jose Radio Reloj in Spanish 1200 GMT 5 Aug 82

[Text] An intense shootout between Somozist counterrevolutionaries and Sandinists took place from 2000 to 2400 last night, only some 500 meters from our border post in Los Chiles. The two bands moved south during the exchange of fire, posing a serious threat to the Costa Ricans living in that zone and even to the Rural Guardsmen, who lack even basic means of defense.

(Nestor Mora), in charge of the Rural Guard in Los Chiles, said it became clear last night that the Rural Guard would be defenseless in face of an attack from Nicaragua. This is true of the civilian population as well, (Mora) added. He explained that each guard has only two weapons and 15 rounds, while complaining that they don't even have horses for moving around the area. We were helpless; we could have done nothing had the fighting moved into our territory, (Mora) added.

For instance, the four Rural Guardsmen in Los Chiles were having communications problems because the batteries in their radios had run down at the very time when it looked as if the counterrevolutionaries and the Sandinists were going to continue their fight in our territory, he explained. We are at the Nicaraguans' mercy should they decide to cross the border; all we could do is run for our lives, (Mora) concluded.

NEW NICARAGUAN AMBASSADOR ON THREAT TO PEACE

PA050524 San Jose Radio Reloj in Spanish 1200 GMT 4 Aug 82

[Text] Rogelio Ramirez Mercado, the new Nicaraguan ambassador to Costa Rica, who presented his credentials last night to President Luiz Alberto Monge, said peace between Nicaragua and Costa Rica is under constant threat.

He reiterated to President Monge and to Foreign Minsiter Fernando Volio Jimenez his country's traditional friendship for Costa Rica. Our countries have been allies at the most difficult moments in their histories, Ramirez Mercado said. Costa Rica was our ally against Walker and against Somoza; that is why we do not understand why are we having problems now, when Nicaragua is making definite progress toward political stability, Ramirez Mercado added. We are trying to correct our mistakes. We know members of the Sandinist armed forces have been involved in some border incidents; we are trying to correct this by improving the border markers so that there are no more excuses for crossing the border, Ramirez Mercado said.

He said that the Sandinists involved in those incidents have been disciplined. On the bomb incident, Ramirez Mercado categorically denied all accusations linking the Sandinist regime to such an act. There must some mistake; let history be the judge, Ramirez Mercado urged. I was not thinking about war when I said peace between our countries was in danger; what I meant was that the existing problems are keeping us awake at night, Ramirez Mercado explained.

EL SALVADOR

GOVERNMENT SIGNS UNITY PACT WITH FIVE PARTIES

PA050112 San Salvador Radio Cadena Central in Spanish 0300 GMT 4 Aug 82

[Text] The Salvadoran Government and five political parties yesterday signed a unity pact whereby a joint political action program is launched, official sources have reported. President Alvarao Magana and the secretaries of the parties signed the agreement, which is called the Apaneca pact because it was signed at the president's farm in the small town of Apaneca, 79 km west of San Salvador.

The pact addresses five major points: human rights, economic recovery, reforms, trust and security and the strengthening of international relations. They explained that these five points are aspirations they hope to fulfill jointly, to serve as a basis for the democratization process underway in El Salvador since 28 March, when constituent elections were held.

The Apaneca action program calls for the formation of three commissions, which will be decisive for the achievement of the pact's goals. These commissions are peace, human rights and political. The latter is considered the most important, since it will be formed by President Magana and will include the three vice-presidents, Gabriel Mauricio Gutierrez Castro, Raul Molina and Pablo Mauricio Alvergue, along with Foreign Minister Fidel Chavez Mena and Defense Minister Jose Guillermo Garcia.

Also present at the signing ceremony with the secretaries of the five parties were top party leaders. The parties that subscribed to the agreement are the Nationalist Republican Alliance, the National Conciliation Party, the Christian Democratic Party, the Salvadoran Popular Party and the Democratic Action party.

This agreement will later be taken to Washington by a joint mission entrusted with defending the national unity of Salvadorans, official sources said.

GUATEMALA

29 SAID KILLED IN QUICHE, HUEHUETENANGO CLASHES

PA052229 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 3 Aug 82

[Text] The armed forces reported six armed clashes last weekend between unidentified men and civil defense and military patrols. The clashes, which took place in the Departments of El Quiche and Huehuetenango, left 22 subversives and 7 civilians dead, while many people were wounded.

According to the official report, early on 31 July in the village of (Palacama Dos) in Santo Tomas, Chichicastenango, El Quiche, a military patrol charged with guarding this municipality clashed with a group of unidentified men, as a result of which 11 extremists were killed. A number of weapons and a variety of equipment and medicine were confiscated.

Meanwhile, two clashes took place in San Juan Cotzal, resulting in four dead and a wounded patrolman. In the village of (Namaj), San Juan Cotzal, El Quiche, a civil defense patrol clashed with a group of unidentified armed men who, according to the report, had tried to seize the village. The patrolmen managed to defend the village and forced the attackers out. One patrolman was killed.

The Armed Forces Public Relations Office told "El Independiente" [newscast] that another group of armed men arrived at La Esmeralda farm, also in San Juan Cotzal. When they were discovered, a heavy shootout ensured. Three women heading for the river to do their daily chores were caught in a crossfire and were killed. It was also reported that a civil defense patrolman, wounded during the clash, was sent to the emergency room at the town's health center.

The armed forces also reported that at 1200 hours, on Saturday, 31 July, a group of unidentified men arrived at the Monaco cooperative, in the jurisdiction of [words indistinct] municipality, El Quiche. Eight of these subersives were killed during a clash with a military patrol and valuable documentation on the activities and location of these clandestine groups was found.

Finally, an armed clash took place between a military patrol and an unidentified armed group somewhere in the municipality of San Miguel Acatan, Hueheutenango Department. The shootout occurred at approximately 0500 on 31 July. Three extremists were killed. The army's public relations office reported that medical equipment and a large quantity of medicine and other supplies were found following the shootout and that the extremists fled into the mountains.

10 Policemen Killed

PA051552 Guatemala City Radio-Television Guatemala in Spanish 0200 GMT 4 Aug 82

[Text] Ten members of the Treasury and national police were murdered and five othere were wounded in two attacks in the country in less than 24 hours. The Treasury Policemen were ambushed at 0100 in San Jaun Ostuncalco while on an operation. They were attacked with grenades and machineguns. It has been reported that seven policemen were killed, but that their weapons were not stolen because the two wounded policemen repelled the attackers.

In Guatemala City, three national policemen died during an attack on a bus last night in Zone 7. Three other national policemen remained hospitalized today as a result of an attack last night in a residential area near the (Xiaminal Cuyu) archeological site. The attack caused great alarm. Police were guarding the area today. No arrests have been reported in connection with this attack.

HONDURAS

NICARAGUAN VIOLATIONS OF AIRSPACE REPORTED

PA060102 Tegucigalpa Televisora Hondurena in Spanish 1600 GMT 5 Aug 82

[Text] To the many calamities currently affecting the Honduran people, we must now add two airspace violations. Two violations of Honduran territory by Nicaragua's Sandinist Peoples Army [EPS] were reported this morning. We repeat: A new violation of Honduran territory by Nicaragua was reported at 0700 today. An EPS reconnaissance plane violated Honduran airspace, flying over La Flor ranch in El Triunfo municipality. The plane flew 1,500 meters over our territory.

Later, at 0800 today the EPS combat planes violated our airspace, intruding 11 km into our national territory, flying over San Marcos de Colon in Choluteca Department. This is official and duly confirmed information. We will provide further details tomorrow.

GUERRILLA GROUPS CONSIDER FORMING UNITED FRONT

PA051955 Managua Radio Sandino Network in Spanish 1200 GMT 4 Aug 82

[Text] The Honduran revolutionaries will not allow the government led by Suazo Cordova and Alvarez to continue interfering in El Salvador and Nicaragua with impunity. Commander (Antonio), member of the National Directorate of the Cinchoneros People's Liberation Movement, said that on 15 July the Reagan administration offered $320 million to the Honduran Government, which has led them to betray the people of Honduras and of the other Central American countries.

In a statement to AGENCIA INDEPENDIENTE DE PRENSA, AIP, the revolutionary leader charged that the Honduran Government promised in Washington to attack Nicaragua and to drown its own people in blood.

Commander (Antonio) reported that the five Honduran guerrilla organizations are presently holding talks to unite and organize an authentic people's resistance front. He said the constant military attacks against Nicaragua and the Salvadoran people are drawing the Honduran Army and Government into a dead end street, to their own destruction, and is provoking an uprising among the people.

Companero (Antonio) said thousands of workers, peasants, students, soldiers and intellectuals will join this Central American struggle to stop Honduran intervention in El Salvador and Nicaragua.

DETAILS OF 4 AUG BOMBINGS IN TEGUCIGALPA

PA051604 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 5 Aug 82

[Excerpts] Four powerful bombs exploded last night in Tegucigalpa, causing serious property damage in some buildings. Six people were injured. This caused panic among the citizens of Tegucigalpa.

The powerful bombs were placed in the offices of the Salvadoran airline TACA and in the Air Florida building, on the corner by Tegucigalpa's famous Chico Club. Another bomb exploded in the Panamerican Life Insurance building. The third [as heard] was placed in the IBM building. IBM is a well-known data-processing transnational. The bomb caused much property damage to the IBM building. The latest report notes that a fourth bomb destroyed an urban bus in downtown Tegucigalpa. At least 6 persons were injured as a result of these explosions.

Three security guards were injured when several bombs exploded last night in the capital. Two of them are employed by the Financial Bank and the third by Air Florida. The injured Financial Bank guards are 25-year-old (Hernan Perez Castro) of Colonia la Esperanza and (Carlos Ruet), who is also a basketball referee.

(Carlos Ruet) said he was on his way to a basketball game and decided to go by and say hello to his fellow workers, and it was then that the bomb at the Financial Bank exploded, damaging his ears.

IBM has lost millions in property damage as a result of the explosion at the Panamerican Life Insurance Corporation, near the (Honduras Maya) Hotel. Maj (Manuel Trejos), chief of the Public Security Forces in the 1st region, reported on the damage suffered by the Panamerican Life Insurance building. Each of its five floors was damaged, but especially the first and second floors, where sophisticated IBM computers were completely destroyed.

The individuals responsible for placing the bombs have not been identified and we have received no phone call from any group. Nevertheless, police said last night that the Lorenzo Zelaya command has claimed credit for the attack.

PAZ BARNICA EXPLAINS STAND ON PEACE INITIATIVE

PA051729 Tegucigalpa Domestic Service in Spanish 1130 GMT 5 Aug 82

[Text] Honduran Foreign Secretary Edgardo Paz Barnica would be very interested if the Nicaraguan authorities issued a statement accepting the initiative on achieving peace in Central America. He stated this in relation to the recent remarks by Nicaraguan Ambassador Guillermo Suarez Rivas, who said Nicaragua is willing to hold a dialogue on Honduras' peace plan:

[Begin Paz Barnica recording] On 23 March the constitutional and democratic government of President Suazo Cordova presented its initiative to internationalize peace in Central America. The initiative contains six specific points. Within the context of that initiative, we subsequently invited the Nicaraguan foreign minister to visit Tegucigalpa. Foreign Minister d'Escoto visited Honduras and discussed with us the Honduran peace initiative, which has a comprehensive and regional character. At the same time, the Nicaraguan foreign minister made bilateral proposals which in practice would establish aspects that would be of unilateral benefit for Nicaragua, in contrast with the Honduran initiative, which has an overall and regional character.

The Nicaraguan ambassador to Honduras visited me today to tell me that his government has agreed to discuss the initiative by President Suazo Cordova's government. As I already said, the initiative was analyzed by the Nicaraguan foreign minister several months ago. The Honduran Government believes the expressions of good will should also lead to good practical and specific actions.

In this sense, the Honduran Government would view with good interest the Nicaraguan Government and the FSLN issuing a specific statement accepting the Honduran Government's initiative for peace in Central America. The specific points of that initiative include international supervision of the borders, the decrease of armaments and troops and [words indistinct] within a context of a multilateral dialogue of democratic and pluralistic governments.

We do not want to believe that what the Nicaraguan ambassador expressed to me today could be part of delaying tactics [words indistinct]. In any case, the Honduran Government once again reiterates its firm position in favor of peace in Central America, dialogue, mutual respect and peaceful coexistence, since this is shown by President Suazo Cordova's foreign policy. [end recording]

NICARAGUA

MINISTRY HAS NO KNOWLEDGE OF 4 AUG BORDER CLASH

PA060254 Paris AFP in Spanish 0128 GMT 6 Aug 82

[Text] Managua, 5 Aug (AFP) -- The Nicaraguan Defense Ministry disclaimed any knowledge tonight that clashes have taken place with subversive groups on the Costa Rican border, as Costa Rican papers and radio stations reported in San Jose today. "We know nothing; we have had no reports of combat or casualties in that zone," a ministry spokesman told AFP.

According to Costa Rican press and radio reports, intense clashes, lasting 5 hours and causing a total of 40 dead and wounded to the two conflicting sides, broke out last night in the Los Chiles region on the Nicaraguan-Costa Rican border.

It was even affirmed that the attacks on the Sandinist positions were directed by Eden Pastora, "Commander Cero," who broke with the FSLN Directorate last April, accusing it of "diverting" the revolutionary process toward totalitarianism.

Nevertheless, "a group of friends" of Pastora, quoted by San Jose Radio Monumental, denied that their leader had participated in any clashes and reiterated that the Sandinist Revolutionary Front, a political-military organization founded by him, has been dissolved and that none of its members is currently fighting Sandinism with arms. Pastora was expelled from Costa Rica 2 months ago by Luis Alberto Monge's government, which claims to maintain a policy of total neutrality. Nevertheless, reliable sources indicate that he is in Costa Rica.

Angel Edmundo Solano, Costa Rican public security minister, confirmed in San Jose that the government is aware of rumors confirming his presence in this city, for which reason it has ordered his arrest and his expulsion from the country. The minister also indicated that shooting could be heard last night in Nicaragua, some 5 km from the border in the Los Chiles region, but he denied there had been a military deployment or that the action had been seen from Costa Rica. Costa Rican press reports even referred to a violation of the country's airspace by Nicaraguan aircraft and to the use of flares to light up the area.

Solano will meet in Nicaragua with his colleague, Commander Tomas Borge, on Friday in a visit that has received full support from President Luis Alberto Monge's Cabinet, according to government sources.

DEFENSE MINISTRY ISSUES REPORT ON ZELAYA ACTION

PA060019 Managua Domestic Service in Spanish 0300 GMT 5 Aug 82

[Communique by the Public and Foreign Relations Office of the Ministry of Defense 4 August]

[Text] The Defense Ministry wishes to state that:

1. Since 4 July 1982, when the first clash between the Sandinist Peoples Army [EPS] and counterrevolutionary groups occured in Seven Benk, northern Zelaya, armed clashes to date have left a total of 136 dead among the counterrevolutionaries and 28 among the officers, NCO's and soldiers of the EPS.

2. With the cooperation of the General Directorate of State Security, several counter-revolutionary camps have been discovered, their support structures dismantled and their plans for operations, to be staged and directed from counterrevolutionary bases in Honduran territory, aborted.

3. We also recovered a variety of modern weapons, including AR-15 rifles, the semiautomatic version of the M-16, M-16 rifles, 66-mm M-72 antitank rocket launchers, XM-57 and 6E2 grenades for 40-mm M-79 grenade launchers, FAL automatic rifles with telescopic sights and special rounds.

4. During the most recent clash, which occured on (Tan Kaban Unta) Mountain, 9 km north of Sandy Bay, and which ended with the occupation of a counterrevolutionary camp, the following EPS members were killed: (Julio Rodriguez Garcia), (Pablo Gregorio Lira Calderon), and (Isabel Mairena Galero). These EPS members had distinguished themselves in various armed clashes in which the counterrevolutionaries suffered many casualties.

Leon Group Smashed

PA051918 Managua Domestic Service in Spanish 0300 GMT 5 Aug 82

[Excerpt] Leon -- Investigations by the General Directorate of State Security have revealed the counterrevolutionary guilt of (Julio Ramon Montes Martinez) and others. The counterrevolutionary activities, as well as (Martinez') involvement with Somoza's Office of National Security, were established after a long and arduous investigation by the state security combatants. As a result of these investigations, a group operating in Leon was broken up.

RED CROSS HEAD QUESTIONED ON UNION TAKEOVER

PA051531 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 4 Aug 82

[Excerpt] The Red Cross facilities in Managua were taken over today by the organized people. The institution's director, Ismael Reyes, is remaining silent about the union's demands. Members of several mass organizations showed up today at noon in front of the Red Cross offices to express solidarity with the board of that institution's union. The union is demanding that businessman Ismael Reyes resign as president and member of the organization's national council because for many years he has used the organization as a political forum for the counterrevolution.

In view of provocations by a few of Reyes' sympathizers, the mass organizations decided to enter the facilities. Lt (Oscar Loja), in charge of [word indistinct] operations, arrived later to protect those workers who support Reyes. (Pedro Sandoval Perez) was detained after the union's members accused him of having served in the now-defunct Somozist state security. It is important to note the protection the Sandinist police provided at all times to the workers who supported Reyes in the face of the organized masses' wrath.

In view of the Red Cross union's charges against the organization's president and board of directors, we located Reyes and interviewed him. During the interview he dedicated himself to blaming both the Sandinist front and the Junta of the Government of Reconstruction for the seizure of the Red Cross. However, he did not explain satisfactorily the union's charges, such as the check that the Red Cross made out in his name, the camouflage uniform found on the premises and the Garand clips found in the drawers of several Red Cross executives' desks.

[Begin recording] [Question] How do you feel about the evidence presented yesterday?

[Answer] Those are [word indistinct] of puerile things -- a camouflage outfit for hunting, casings from a gun mounted on an armored vehicle. When I was burning dead bodies in Don Bosco and El Dorado during the bombing, I took pictures which I later turned over to LA PRENSA of the empty cases that had originally contained these casings and of the streets full of those casings.

[Question] What about the Nicaraguan Democratic Movement, MDN, pamphlets?

[Anwer] What pamphlets?
[Question] The ones they found there.
[Answer] What kind of pamphlets?

[Question] Of the Higher Council of Private Enterprise and of the MDN [words indistinct].

[Answer] First of all, I an a member of both the Permanent Human Rights Commission and the National Human Rights Commission.

[Question] What about the checks hidden in the...
[Answer] What checks?
[Question] The checks the workers found in the air conditioner.
[Answer] Those are lies, young lady. The checks...
[Question] The workers displayed them yesterday.
[Answer] The checks were made out...
[Question] But they displayed them.

[Answer] [Words indistinct] a check made out in my name for 100,000 cordobas appeared in the newspaper [words indistinct]. I am now submitting to LA PRENSA the receipt for that check, a downpayment for 900,000 cordobas that I had loaned to the Red Cross a month earlier because the organization had no money to make certain urgent payments. Right now the Red Cross owes me 800,000 cordobas. If the government takes the organization over I won't say anything. The government is free to take it over...

[Question] The government mobs?
[Answer] ...as the mobs did today.
[Question] The government mobs; were they government mobs?
[Answer] They were sent by...
[Question] By whom? By the government? Do you have proof of this? Do you have proof?

[Answer] They (?were sent by) the reconstruction junta. (?I heard a delegate say) they were mass organizations controlled by the front.

[Question] [Words indistinct] you have no interest in (?continuing as president), so why don't you resign? [end recording]

MANAGUA BREAKS DIPLOMATIC RELATIONS WITH ISRAEL

PA060345 Managua Domestic Service in Spanish 0300 GMT 6 Aug 82

[Foreign Ministry communique released 5 August]

[Text] The Nicaraguan Foreign Ministry, given the grave development currently taking place in the Middle East in the form of the Israeli Government's acts of genocide against the Palestinian and Lebanese peoples, states the following:

Since 19 July 1979 our revolutionary government has implemeted a foreign policy based on the principle of establishing diplomatic relations with all countries, regardless of their political or economic orientation. However, we believe there are situations in which violence seeks to destroy principles that lie above those that inspire a country's diplomatic tradition. The genocide currently being committed by the Israeli Government against the Palestinian and Lebanese peoples constitutes one of those situations, in the face of which the principles that touch on the very essence of man and the very existence of peoples must prevail. Given this grave situation, Nicaragua must lodge its strongest protest, breaking all relations with the Israeli Government.

We are sure the Israeli people, who suffered the horrors of the policy of extermination implemented by Nazi-fascism during World War II, understand our government's decision and, with similar indignation, reject the policy being implemented by those who currently direct the state of Israel. We also believe this unspeakable situation could not be taking place were it not for the undeniable support of the current U.S. Government, whose stand as an accomplice in this genocide we both repudiate and denounce.

We reiterate our acknowledgement of the Palestinian people's sacred right to exist as a free and independent nation, as well as our firm support for and solidarity with the PLO, the Palestinian people's sole legitimate representative, and its honorable leader, Companero Commander Yasir 'Arafat. We also express our deepest concern at the passivity with which most of the world's governments are witnessing this genocide, which goes against the very foundations of our civilization. We strongly call on all governments, urging them to use every means at their disposal to express their repudiation and condemnation of the genocide currently being committed in Beirut.

BRIEFS

NEW AMBASSADORS -- The Foreign Ministry has announced the appointment of three new Nicaraguan ambassadors. Eva Conrado Flores has been appointed ambassador to Hungary, Jose Pasos Marciaq is ambassador to the FRG and Roberto Leal Ocampo is the new ambassador to Venezuela. [Managua EL NUEVO DIARIO in Spanish 30 Jul 82 p 12 PA]

COMMODITIES REPORT ON RECENT SUGAR HARVEST

FL052215 Bridgetown CANA in English 2204 GMT 5 Aug 82

[Text] Bridgetown, Barbados, Aug 5, CANA -- Cuba's recent sugar harvest yielded 8.21 million tonnes and was the best since 1969, according to the Latin America commodities report.

Cuba had its best harvest in 1969/70, when 8.6 million tonnes of sugar were produced, the report said.

Last season's harvest, which suffered from the effects of the rust disease that dramatically reduced 1979/80 production, yielded 7.3 million tonnes.

The report said that the 1981/82 production level was a clear sign that the problems of recent years -- mainly the adverse impact on yields from disease -- have now been successfully overcome.

"The massive programme of replanting vast areas with disease-resistant strains is now bearing fruit," the report said.

"Experts now believe that, given good weather, Cuba should be well on the road toward meeting its production goal of 10 million tonnes in 1984/85.

"The French sugar house Sucres et Denrees already sees the potential for an increase of 500,000 tonnes in 1982/83 Cuban production."

The Cuban president, Dr Fidel Castro, said that he had abandoned the usual custom of shrouding production figures in secrecy, because "sugar prices cannot be any lower than they are now," and so would not be affected by the Cuban results.

"This seasons good crop will allow Cuba to fulfill plans for boosting sales to the communist bloc, which is providing considerable cash to finance the islands' sugar expansion programme," the report said.

Most of Cuba's exports already go to Eastern Europe, with the Soviet Union alone said to have accounted for nearly 75 per cent of all shipments in the first three months of this year.

ANTI-IMPERIALIST TRIBUNAL ON U.S. 'AGGRESSIONS'

PA050531 Havana International Service in Spanish 1800 GMT 4 Aug 82

[Text] Freddy Balzan, executive secretary of the Central American Anti-Imperialist Tribunal, has told this station that the latest developments in Central America show that Honduras has definitely become the gendarme of U.S. imperialism in the area.

Balzan said that proof of this is the arrival of 30 new U.S. military advisers and the joint maneuvers that were recently held at the border with Nicaragua. To this must be added the verbal attacks and the campaign of lies to depict the Sandinist government as a danger to Central America.

He said that no one doubts the peaceful stance of the Nicaraguan revolutionary government and its leaders' efforts to achieve peace in the area. Outstanding among these efforts are the invitation that was sent only 4 days ago to Honduran President Roberto Suazo Cordova to visit Nicaragua and open negotiations.

Balzan added that imperialism is currently stepping up its aggressions and destabilizing maneuvers against the Sandinist government including encouragement to religious sects and the spreading of rumors about revolutionary leaders and the situation regarding foodstuffs.

Finally, he urged all Latin American nations to close ranks alongside the Nicaraguan people and government and to stop the intervention maneuvers the United States is carrying out through Honduras, which are the only obstacle to peace in Central America.

BARBADOS

THE NATION URGES GUYANA'S BURNHAM TO RESIGN

FL051531 Bridgetown CANA in English 1522 GMT 5 Aug 82

[Text] Bridgetown, Barbados, Aug 5, CANA -- The Barbados NATION newspaper today suggested that the Forbes Burnham government of Guyana resign gracefully, and spare Guyanese people further suffering.

"Protest demonstrations are now being held to highlight the critical nature of the problem in Guyana where, according to reports from the CARIBBEAN NEWS AGENCY (CANA), there are chronic shortages of things like flour and milk," said THE NATION.

The paper mentions: "One handout from the opposition Working People's Alliance (in Guyana) states: Today, there is no bread, milk, sugar, rice, salt, cooking oil, peas, cereals, butter, margarine, cheese, saltfish or salt meat in the shops... There is no soap, toilet paper, toothpaste, or matches in the shops. There is no baby food, no drugs in the hospitals and no medicines in the drug stores."

Guyana has for sometime now been experiencing critical foreign exchange problems, and this was brought on the banning of a wide range of imports, including food items and marketing food queues.

The NATION said "it is unfortunate that the people of Guyana are being asked to suffer to the extent of going hungry and being denied the basic essentials of life.

"The government must be aware that the end cannot be far off unless there is going to be a dramatic turn-around in the downward slide of the past several years."

The daily said "it is now clear that the administration of President Forbes Burnham, will not be able to bring about that transformation since it has lost all moral authority in the country.

"Hanging on by the suspect threads of legal authority from a rigged election and the presence of large numbers of armed men in uniforms, the Burnham government has only one decent alternative -- to resign.

GRENADA

BRIEFS

CANADIAN JOINT VENTURE -- St Georges, Grenada, Monday (CANA) -- Grenada has taken delivery of 954 tonnes of fertilizer from the Canadian International Development Agency (CIDA) to be used on a multi-million dollar cocoa rehabilitation project here. The EC $20.5 million (EC$1 equal 37 cents U.S.) project which started in January, is a joint venture between the Governments of Canada and Grenada with the Canadians providing EC$17 million. [Bridgetown ADVOCATE-NEWS in English 27 Jul 82 p 3 FL]

JAMAICA

SEAGA AND MANLEY INTERVIEWED ON U.S. RELATIONS

FL052220 Bridgetown CANA in English 2149 GMT 5 Aug 82

[Text] Kingston, Jamaica, Aug 5, CANA -- Sharply differing views on the state and direction of current Jamaica-U.S. relations have been expressed here by political archrivals Prime Minister Edward Seaga and opposition leader Michael Manley.

Seaga, whose pro-Western Jamaica Labour Party (JLP), ousted Manley's Socialist People's National Party (PNP) administration in a landslide 1980 election win, commented in separate interviews in the "GLEANER" newspaper here.

Manley says that since the JLP came to power, Washington has been "falling over" to help Jamaica -- a situation which did not exist when his party held office, even in view of the island's serious economic difficulties.

In fact, he charges that the U.S. made it easy for the Seaga government to obtain a "favourable" loan agreement with the International Monetary Fund (IMF) for balance of payments support -- money which had also been available to his government but on harsher terms.

Prime Minister Seaga however strongly argues that the state of relations between the U.S. and Jamica are still the same.

"Jamaica's present relationship with the U.S. is not different from the relationship which Jamaica has enjoyed with the U.S. in all the many decades in our modern history. There has always been a close relationship," he asserts.

Following are the texts of the interviews. The prime minister's first.

Q: How do you interpret the basic outline of the Reagan administration's Caribbean Basin policy? Is the Caribbean Basin region getting priority attention?

Seaga: The Caribbean Basin region is certainly getting more attention today than it ever has, certainly within my memory. This is the first instance in which serious treatment has been given to the Caribbean.

The basic plan is to utilise the natural dispensation of the people of the Caribbean, in terms of what motivates them, and what inspires them to economic production, to formulate a plan around these basics and to enable that plan to provide resources to improve the standard of living in the Caribbean.

The people of the Caribbean have always been motivated by the need to improve the standard of living. This has been their basic economic motivation.

To that extent, they have over the years built-up a development model which is eased upon a strategy of a responsive productive sector. In this respect, the response of private initiative and the reward of private enterprise play an important role. Hence, the Reagan administrations policy, as we see it, is to help to develop this aspect of the Caribbean's development strategy by providing the mechanisms by which private enterprise can become more active in the region.

This new Caribbean Basin plan will continue to foster public transfers, but at the same time, a new element will be the mechanisms which will be introduced to supplement the public transfers, and therefore, to reach a different sector which had not been reached in terms of the transfer of resources.

Q: How do you perceive your country's relations with the U.S. in contrast to those of the Manley years?

Seaga: I'm very glad you asked that question because there is some misconception. Jamaica's present relationship with the U.S. is not different from the relationship which Jamaica has enjoyed with the U.S. in all the many decades in our modern history.

There has always been a close relationship. It arises out of many factors: the proximity of the countries; the extent of travel between the two peoples; the extent to which there are families and friends in the communities of the two countries; and the nearness of the media in terms of the extent to which it projects the U.S. way of life. Consequently, it is very natural that there would be natural and strong bonds of friendship between the peoples of Jamaica and the U.S.

In the last eight years, there was a deviation in the sense that the Manley government perceived the U.S. and U.S. interests as being in contrast to what they hoped they could transform Jamaica to be; and they endeavoured to make this transformation.

However, the people of Jamaica, as you well know, in 1980 took a decision which was overwhelming in terms of politically deciding once again to reinforce their own basic motivations by mandating a new government to follow the path that they had been accustomed to over the last many decades.

Q: Are current aid policies more favourable to Jamaica now?

Seaga: There is no question of the fact that aid has increased. There was also a significant flow of aid during the Manley period of government in line with programmes of aid which existed prior to Manley's regime.

The extent to which U.S. bilateral programmes are now assisting Jamaica has to do more with what happened in the past than what will happen in the future. It has to do with the fact that we are coming out of eight years of negative growth which Mr Manley bequeathed to us.

Having come out of that period by the free will of the people taking a political decision, we then have to face the future in terms of how quickly we can rebuild.

We are an intensely democratic system. We are not an autocratic system in which somebody can, by decree, determine that the cost of living shall continue to rise, that the value of the dollar can be further decreased by devaluations all in the name of economic reconstruction. We have to effect economic recovery while at the same time cater to the needs of the people, heightened out of these eight unforgettable years in our history. Consequently, we need substantial increments to transfers of capital, whether it be from the public sector or the private sector, or both.

Naturally, therefore, we have had to seek substantial increases in capital injections, and the U.S. is one of the countries from which we have had to seek these additions. The U.S. has responded, so have many other countries.

Q: Has the Reagan administration's preoccupation with Castro's Cuba upset the balance of power in the region?

Seage: It may be true that in earlier days of the Cuban revolution that U.S. foreign policy did have a significant impact on the balance of power in the Caribbean insofar as Cuba was concerned. I am speaking of the days in which the embargo was treated very seriously and was more effective. But it is not true to say that in the years since that time that the U.S. has been just preoccupied with Cuba.

The Jamaican elections did more to change the balance of power in the Caribbean than any other factor because the Jamaican elections uprooted the extent of which Cuba has been generating its own client state in Jamaica.

The Manley government was tied to it to such an extent that it did not differ from it on any foreign policy issue, and it was on with it on a wide range of domestic issues. The Cubans came to treat Jamaica as some logical extension of their own mainland to the manner in which they travelled to and fro, in violation to the procedures that Jamaicans have come to follow. They foisted upon us an ambassador who was arrogant and who used this position to do things that normally are not done by diplomatic representatives: to threaten to declare war on a part of the population which was supportive to the party that I lead, etc. Now, all those factors gave Cuba a very strong position in Jamaica.

Because Jamaica is the largest of the Caribbean counties and because the English-speaking Caribbean is two-thirds of the Caribbean in terms of numbers of countries, Jamaica's influence within the Caribbean is naturally weighted. In that respect and to the extent to which Cuba has influence in Jamaica, naturally spread to the Caribbean.

The plan, as we understood it, was that the Cubanization of Jamaica would have assisted Cuba in enhancing its sphere of influence in the Caribbean; and it was in fact doing so. So, it was the Jamaican election that upset that [situation] and turned the tide in the other direction.

Q. [to Manley] How do you interpret the basic outline of the Reagan administrations Caribbean Basin policy, how does it compare with initiatives begun under the Carter administration?

Manley: The most important difference is the explicit emphasis on the ideology of the region. There is no doubt that the Carter administration did begin a rather tentative experiment in ideological pluralism in trying to see the region as necessarily heterogeneous.

Countries would necessarily be trying different forms of experimentation with their societies, their political systems, and their economies. Therefore, it would be a principled and sensible thing for American policy to recognise this and to try to deal with it.

I think that the Carter policy became partially unstuck in perhaps the last 18 months of that regime, but still there was the underlying recognition of an obligation to deal with pluralism.

The Reagan administration has completely reversed this and is making a fundamental matter of policy that their business is to combat what they describe as any form of ideology of which they disapprove. They are making no bones about it.

They are apparently completely ruthless about it and willing to propagate the most disgraceful propaganda about it to justify it. It says that its primary purpose is to combat what it describes as "the spread of Cuban influence" and to be open in its support of any regime which is strongly pro-American and strongly free-enterprise in orientation. So it has laid down these conditions.

Insofar as the policy itself is concerned, I find it difficult to analyse accurately. We don't really know what the policy is yet. We know that the Reagan administration places great emphasis on encouraging private investment and certainly, theoretically, on minimizing direct government-to-government assistance and matters of that sort. This, I suppose, is understandable from the point of view of the Reagan administration with its own ideological comment.

It is obviously not a good thing for the region. We hear that there is going to be some increase, ironically, in direct assistance; to the extent that it may be true, it would be a good thing. Nobody is opposed to the movement of private capital if it is not just exploitative private capital.

What could be the most significant feature of the policy is the suggestion that the Caribbean be declared a one-way free entry region with unlimited access to the U.S. market without reciprocal removal of tariff barriers for American goods coming into the region.

If that were done, then certainly it would help those countries that have a small manufacturing base now, it would certainly help them with their exports into the U.S., and therefore, it would help them with their foreign exchange earnings. So from that point of view I have no particular quarrel with any one specific of the policy as it has been formulated, it is the political use of it and the political framework within which it is set that I think is dangerous and divisive and negative.

Q : Is there a difference in the U.S. response to Jamaica now under Seaga?

Manley: What you got now is a falling over themselves to just do anything they can to help. They will obviously encourage all institutions to help in all possible ways.

I wouldn't doubt that they played a hand in the comparatively favourable agreement that the Seaga government got out of the IMF. I am sure that was the result of political manipulation behind the scenes. No quarrel. I mean one is glad to see Jamaica get the help. One would be very interested if Jamaica were getting help because we are two million Black people who happen to be poor.

One would be terribly impressed if that were the reason, but that's not the reason. I am the reason. I don't mean to be bitter, but I am the reason -- to stop me ever getting back to power is the reason.

It is explicit and open and plain, and I really don't think I am worth all that. So you have to forgive me if I am cynical in my evaluation of what the U.S. is doing for Jamaica, but they are not doing it for Jamaica. They are doing it for their own perceived reasons of self-interest.

Q: Current U.S. policy proposed that Cuba, El Salvador, and Nicaragua be viewed as destabilising elements in the Caribbean Basin. Is this policy divisive? Is Grenada being isolated as the region's "odd-man-out"?

Manley: Grenada is isolated yes, the policies are necessarily divisive, yes. Let me see if I can illustrate something. Here you have Jamaica, a firmly grounded two-party classic, traditional democracy. We set up the reform of our electoral system, held the election, and lost it gracefully. It is part of our tradition. We were running a mixed economy, trying to encourage our private sector, voting millions to support the private sector, giving them priority lines for their raw materials, trying too build a sort of Scandinavian model, mixed economy.

Here we were beside Marxist-Leninist Cuba, a communist state, a one-party state on a completely different path of internal development and we were getting along perfectly well. We didn't have any business with the Marxist-Leninist: that's their business.

They didn't meddle in our little free enterprise mixed economy: that's our business. (?Not) by a whisper was anybody doing anything to anybody except trying to co-operate in a friendly way.

On South Africa, we had absolute cooperation shared perceptions, and shared ideals. Over the new international economic order, we had absolute co-operation, shared perceptions, and shared ideals.

Over the attempt to reduce the power of imperialism and to create some breathing space for the small countries, we had absolute co-operation, shared perception and shared ideals. That is the full extent of the cooperation -- nothing military, nothing sinister, nothingto do with security, nothing to do with destabilisation -- just friendship.

Cuba and Mexico have excellent relations. What is there common to Mexico's experiences and Cuba's except their common poverty and desire for national identity. Into this comes the United States of America interfering, bullying, and troubling people who are not troubling them -- nor troubling anybody else -- who are only trying to survive and you ask me if it is divisive.

This huge power to the north comes and says "if you don't ostracise Cuba and help me destroy her, I will declare you a pariah." It is monstrous and that is the truth.

And they come with this blasted lie that Cuba exports terrorism, that the whole thing is planned by the Kremlin. But why are they not destabilising Mexico why did they not destabilise Jamaica, nor Guyana, nor Barbados, nor Trinidad? Who are they destabilising nobody can answer.

You invent a terrorist expansionism: And if somebody says to you "but in the name of common sense can you not see that it is not true," then they say "oh, Michael is a naive idiot of incomparable simplicity of mind."

Reagan can't run a system unless he has invented the Cuba of his nightmares. That is how he justifies everything. But the real question is "will anybody ever be free to make the multinationals behave themselves in this hemisphere?"

MANLEY, HERRERA CAMPINS DISCUSS GUYANA DISPUTE

FL052030 Bridgetown CANA in English 1844 GMT 5 Aug 82

[Text] Kingston, Jamaica, Aug 5, CANA -- Jamaica's opposition leader Michael Manley has suggested to Venezuelan President Luis Herrera Campins that any settlement of the long-standing Guyana-Venezuela territorial dispute must be fashioned with respect for the concept of territorial integrity, informed sources here said today.

Venezuela's claim to the western two thirds of neighbouring Guyana's 83,000 square miles was among issues to come up during brief talks here between the two leaders Monday, when President Herrera Campins paid a one-day official visit to Jamaica.

The sources said Manley told the Venezuelan leader that he hoped for a peaceful resolution of the quarrel through discussions, "within the context of respect for the principles of the territorial integrity of a sovereign state."

This, the sources said, was Manley's diplomatic way of telling Venezuela that it should drop its claim to the vast Essequibo region that Caracas said was wrongly ceded to Britain by an international tribunal at the end of the last century.

Last month Manley's People's National Party (PNP) reaffirmed its support for Guyana in the dispute. "It is the view of the party that the rights of the people of Guyana to their sovereign territory is supreme and the claim is non-negotiatible," a PNP statement had said.

A communique at the end of talks between the Venezuelan leader and Jamaica Prime Minister Edward Seaga said that on the territorial claim, "both leaders expressed the hope that a practical and peaceful solution can be achieved within the framework established in the (1966) Geneva agreement."

The treaty signed by Britain, Venezuela and Guyana (just before she became independent) recognised the dispute and laid down the framework for a Guyana-Venezuela mixed commission to find a solution.

Mr Manley's talks with President Herrera Campins also touched on aid and the former Jamaica prime minister stressed the importance of maintaining the Mexico-Venezuela oil facility.

Under this programme both oil rich states rebate as soft loans 30 percent of the purchase price of crude supplies to Jamaica and several other Central American and Caribbean states, up to a total of 700 million dollars (U.S.) annually.

TRINIDAD AND TOBAGO

BRIEFS

TEXACO CUTS PRODUCTION -- Port-of-Spain, Trinidad, Aug 5, CANA -- The Texaco oil company has reduced its throughput from 110,000 barrels a day (bd) to 80,000, company officials said today. The cutback at the American-owned company's refinery took effect at the start of the month and was one in a series that pushed output from 335,000 bd to 220,000, then 110,000. Company officials said that Texaco and refineries elsewhere were finding that their oil supply and the price for their products were down, while crude prices remained high. As a result, profit margins were constantly being eroded to the point where some refineries were forced to close. Prime Minister George Chambers told Parliament that the government was concerned about the continued reduction in domestic refining capacity and throughput in the oil industry. [Bridgetown CANA in English 1848 GMT 5 Aug 82 FL]

BRAZIL

ITALIAN FOREIGN MINISTER ARRIVES ON VISIT

PY051519 Paris AFP in Spanish 1349 GMT 5 Aug 82

[Text] Rio de Janeiro, 5 Aug (AFP) -- Italian Foreign Minister Emilio Colombo arrived here today on the first stage of his official visit to Brazil.

He will travel tonight to Brasilia, where he will meet President Joao Figueiredo, Brazilian Foreign Minister Ramiro Saraiva Guerreiro and other Brazilian officials.

After visiting Brasilia, Colombo will travel to Sao Paulo, the country's main industrial and economic center and the city where the majority of the Italian colony in Brazil lives.

He will also travel to Argentina and Peru [as received] seeking, as in Brazil, to promote relations between his country and Latin America.

CHILE

SUBSTANTIAL PROGRESS REPORTED IN BEAGLE MEDIATION

PY051339 Santiago Domestic Service in Spanish 1100 GMT 5 Aug 82

[Excerpts] Enrique Bernstein, Chilean ambassador to the papal mediation in the Beagle dispute, has said that the delegations and the commissions involved in the mediation have made concrete progress.

Concerning the guidelines for work that Cardinal Antonio Samore, the pope's representative, handed over to the delegations of the two countries, Ambassador Bernstein said:

[Begin Bernstein recording] The guidelines have been very intelligently and carefully drawn, and I believe that progress can be made in the next weeks if the two sides agree to such guidelines. [end recording]

Asked about the points of coincidence and agreement already reached, he replied:

[Begin recording] Look, substantial progress has been made in some points of the pope's proposal, above all concerning lasting friendship, nonuse of force and physical and economic integration. Other points, such as a treaty for the peaceful settlement of controversies, are still under discussion. [end recording]

Concerning the possibility that Chile may resort to the International Court of Justice, Bernstein said that it was an alternative and that Cardinal Samore was thoroughly informed about it. He also said that Argentina's denunciation of the 1972 treaty has given rise to a small change in the mediation process.

[Begin recording] The denunciation of the 1972 treaty has brought about what the holy father himself referred to as a legal vacuum. The protecting umbrella of the treaty no longer exists. Therefore, we should try to find a way to replace that protecting umbrella. [end recording]

Bernstein said that the process would be facilitated if Argentina reconsidered its decision.

ECUADOR

SPANISH PRIME MINISTER ARRIVES FOR 2-DAY VISIT

PA051541 Quito Voz de los Andes in Spanish 1130 GMT 5 Aug 82

[Text] Spanish Prime Minister Leopoldo Calvo-Sotelo arrived in Quito at 2114 GMT yesterday for a 2-day official visit. Calvo-Sotelo was met at the Quito military air base by Ecuadorean President Oswaldo Hurtado, Foreign Minister Luis Valencia and other officials.

He was accorded the protocol befitting his rank as chief of government. The Spanish prime minister is accompanied by Foreign Minister Jose Pedro Perez Llorca, Carlos [name indistinct], president of the Iberian-American Cooperation Institute, and several high-ranking government officials.

President Hurtado said last night that the international political panorama has deteriorated dangerously in recent months. He indicted that the Atlantic was recently crossed by a fleet which, in a warlike fashion, aimed at prolonging the remanants of an anachronistic colonial system. He was referring to the Malvinas conflict whose tragic results have shown that our security is precarious and hazardous. As a result, we must review the collective defense systems in which we had placed our confidence. Hurtado spoke during the banquet he hosted in honor of the Spanish prime minister in the National Palace last night. Amid this panorama, Hurtado added, our Spanish heritage becomes profoundly important and gives us a very important historic responsibility.

President Hurtado expressed the hope that Spain's forthcoming entrance into the EEC will not reduce but will instead reinforce its association with the Latin American countries, particularly with the Andean Pact. The Ecuadorean president said that the unique situation of Spain, a European country that opens its arms to the American Continent, unquestionably permits it to play a leading role in European-American relations. He added that in the political, economic and cultural fields, the two continents need a meeting place to present their viewpoints, hold a dialogue and draft the adequate replies. He indicated that Spain is the ideal site for that meeting.

Spanish Prime Minister Leopoldo Calvo-Sotelo said that on the entering the European Community, Spain noted the unique character of its relations with the Latin American Continent. In his speech replying to President Oswaldo Hurtado during the official banquet last night, the prime minister said that in any international forum, no natter what its field or nature, the concerns, aspirations and hopes of Ecuador and of any sister nation of Latin America will find in us the most enthusiastic spokesman.

SURINAME

BRIEFS

1981 BAUXITE EARNINGS -- Paramaribo, Suriname, July 31, CANA -- The Suriname Aluminium Company (Suralco) has blamed declining earnings from its bauxite on the world market for last year's 13-million-dollar (U.S.) fall in the revenues its remits to the government. An in-house company's publication said Suralco placed 44 million (U.S.) dollars in the state coffers in 1981, campared with 57 million dollars the previous year. Suralco's net earnings in 1981 from bauxite sales amounted to 22.5 million dollars, an 11.5 million dollar decline compared with the 1980 figure, but the company invested 27 million dollars during the year, the report said. It also showed that the company's expenses for goods purchased locally had gone up to 25.5 million dollars from 24 million in 1980. At the same time, purchases from abroad fell by 9.5 million dollars to seven million dollars. The report showed that the cost of the company's petroleum imports had decreased by two million dollars to 76 million last year. [Excerpt] [Bridgetown CANA in English 1845 GMT 31 Jul 82 FL]